



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

SMALL BUSINESS/SELF-EMPLOYED DIVISION

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MEMORANDUM FOR DIRECTORS, COLLECTION AREA OPERATIONS

FROM: Frederick W. Schindler /s/ Frederick W. Schindler
Director, Collection Policy

SUBJECT: Account Transfers to International

This memorandum provides interim guidance regarding the criteria for transferring cases to international. These procedures will be incorporated in Internal Revenue Manual (IRM) 5.1.8.1.4, Account Transfers to International. Please ensure this information is distributed to all affected employees within your organization.

Criteria for Transferring a Case to International

Before transferring any accounts to SBSE International, the revenue officer should confirm that the taxpayer resides outside the United States and meets **all** of the following conditions:

(a) The aggregate assessed balance equals or exceeds the LEM criteria (See LEM 5.1.8.1.4).

(b) The Collection Statue (CSED) for each case has a year or more remaining before expiration. If the CSED is due to expire within a year of the transfer, secure approval from an International Group Manager prior to transferring the case.

(c) The accounts are not in the following status; offer-in-compromise, withhold collection, awaiting adjustment action, military deferment, or those on which recommendations for legal action have been made.

(d) Document in the case history how you determine that the taxpayer resides outside the United States. The address should be confirmed by the transferring revenue officer. If the address cannot be confirmed, send a Courtesy Investigation to international to verify the address instead of transferring the case.

(e) While a levy or seizure determination is not necessary prior to transfer, document in the case history your findings of any US asset or levy source.

(f) Copies of the related returns and revenue agent's reports are attached, if available.

(g) In Trust Fund Recovery Penalty cases, attach a copy of the Trust Fund Recovery Penalty file.

If you have any questions concerning these procedures, please feel free to contact me, or MJ Moran, Program Manager, International and Insular Compliance, or a member of your staff may contact Gary Vinluan, Policy Analyst. Field employees should raise any concerns through the appropriate management chain.

cc: www.irs.gov